

RECEIVED
DEPARTMENT OF JUSTICE

Budget Bureau No. 43-R210.6
Approval Expires Oct. 31, 1971

MAY 8 3 37 PM '75

REGISTRATION UNIT
INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20530

SUPPLEMENTAL STATEMENT

*Pursuant to Section 2 of the Foreign Agents
Registration Act of 1938, as Amended*

JAN 29 1975

For Six Month Period Ending _____
(Insert date)

Name of Registrant Donald N. Martin d/b/a Donald N. Martin and Company Registration No. 1381

Business Address of Registrant
630 Fifth Avenue
New York, N.Y. 10020

I - REGISTRANT

1. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:

(1) Residence address	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(2) Citizenship	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(3) Occupation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(b) If an organization:

(1) Name	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(2) Ownership or control	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(3) Branch offices	Yes <input type="checkbox"/>	No <input type="checkbox"/>

2. Explain fully all changes, if any, indicated in Item 1.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, and 5.

3. Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name

Position

Date Connection
Ended

4. Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?
Yes ☐ No ☐

If yes, furnish the following information:

Name	Residence Address	Citizenship	Position	Date Assumed
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-
5. Has any person named in Item 4 rendered services directly in furtherance of the interests of any foreign principal? Yes ☐ No ☐

If yes, identify each such person and describe his services.

-
6. Have any employees or individuals other than officials, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period?
Yes ☐ No ☒

If yes, furnish the following information:

Name	Position or connection	Date terminated
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-
7. During this 6 month reporting period, have any persons been hired as employees or in any other capacity by the registrant who rendered services to the registrant directly in furtherance of the interests of any foreign principal in other than a clerical or secretarial, or in a related or similar capacity?
Yes ☐ No ☒

If yes, furnish the following information:

Name	Residence Address	Position or connection	Date connection began
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II - FOREIGN PRINCIPAL

8. Has your connection with any foreign principal ended during this 6 month reporting period?

Yes ☐ No ☒

If yes, furnish the following information:

Name of foreign principal

Date of Termination

-
9. Have you acquired any new foreign principal¹ during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish following information:

Name and address of foreign principal

Date acquired

-
10. In addition to those named in Items 8 and 9, if any, list the foreign principals¹ whom you continued to represent during the 6 month reporting period.

European Travel Commission

Belgian National Tourist Office (Belgium's Bonus Days promotion)

III - ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 8, 9 and 10 of this statement? Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail your activities and services:

For the European Travel Commission, we arranged for a presentation of the findings of the research study Attitude Segments Among American Vacation Travelers to Europe to the travel industry on September 5, 1974, in the 8th floor auditorium, Time & Life Bldg., New York; arranged promotional radio spots by Richard Joseph, Frances Koltun and Myra Waldo which were broadcast on radio stations in New York City, Los Angeles, Chicago, Washington, San Francisco, Detroit, Philadelphia, Boston and Miami beginning in November and continuing through January.

For the Belgian National Tourist Office's Belgium's Bonus Days promotion, we continued with the advertising schedule in consumer and trade papers.

¹ The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual or organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9)).

A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those foreign principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity² as defined below?

Yes ☐ No ☒

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

-
13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals?

Yes ☐ No ☒

If yes, describe fully.

² The term "political activities" means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise?

Yes ☒ No ☐

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.³

Date	From Whom	Purpose	Amount
Various	Belgian National Tourist Office	Advertising space	\$69,213.33
11/19/74	Belgian National Tourist Office	Reprints of advtmts.	628.00
8/7/74	Belgian National Tourist Office	Advtg. production	10,360.56
8/7/74	Belgian National Tourist Office	Sales promotion	4,506.67
9/6/74	Belgian National Tourist Office	Sales promotion	9,993.99
			<u>\$94,702.55</u>
10/1/74	European Travel Commission	Secretarial service, office space, etc.	\$ 3,000.00
10/4/74	European Travel Commission	Segmentation research report	10,149.82
Various	European Travel Commission	Promotion to travel agents in Montreal	30,000.00
10/25/74	European Travel Commission	Trans-Atlantic Congress (1975)	15,000.00
10/25/74	European Travel Commission	Public relations/research	10,000.00
Various	European Travel Commission	Radio promotion	50,000.00
12/3/74	European Travel Commission	Industry relations	5,981.32
1/15/75	European Travel Commission	Sec. service, office space, etc.	3,000.00
			<u>\$127,131.14</u>
		Total	\$221,833.69

14. (b) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁴ other than money from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal?

Yes ☐ No ☒

If yes, furnish the following information:

Name of foreign principal	Date Received	Description of thing of value	Purpose
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³ A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. See Rule 201(c).

⁴ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS - MONIES

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 8, 9 and 10 of this statement? Yes ☒ No ☐

(2) transmitted monies to any such foreign principal? Yes ☐ No ☒

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To Whom	Purpose	Amount
<u>Belgium's Bonus Days</u>			
Various	Travel Trade, New York, NY	Advertising space	\$ 458.15
Various	Travel Communications, NYC	Advertising space	1,749.30
"	Travel Agent Magazine, NYC	"	1,068.75
"	The New York Times	"	5,028.21
"	New York Post	"	1,449.42
"	Boston Globe	"	1,024.60
"	Ziff-Davis Publishing, NYC	"	2,836.35
"	Chicago Tribune	"	1,443.01
"	Canadian publications	"	3,187.86
"	Philadelphia Newspapers	"	1,257.15
"	Omeluk Studio, NYC	Advertising production	1,456.00
"	Omeluk Studio, NYC	Printing	8,388.99
"	Master Eagle Photoengraving NYC	Advertising production	619.09
"	Craftsman Color Lithographers NYC		
"	D.L.Terwilliger, NYC	Advtg. production/reprints	433.38
		Reprints of advtg.	534.60
			<u>\$30,934.86</u>
<u>European Travel Commission</u>			
Various	Time, Inc., NYC	Segmentation research/slides	520.00
Various	Place des Arts, Montreal	Rental of hall for presentation at ASTA Congress/Montreal	2,500.00
Various	American Society of Association Executives, Washington	Production of kits for ASAE's 1975 convention in Montreux	868.32
"	Same Day Offset, NYC	Offset printing	2,755.00
"	Comart/Aniforms, NYC	Production of audio/visual presentation for ASTA Convention/Montreal	20,770.00
"	Omeluk Studio, NYC	Printing	11,350.50
"	Stephen Associates, NYC	Radio promotion	13,339.49
"	La Ville de Montreal, Montreal	VIP/Press luncheon at ASTA Congress	3,002.64
			<u>\$55,105.95</u>
			<u>\$86,040.81</u>

Total

15. (b) DISBURSEMENTS - THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value⁵ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in items 8, 9 and 10 of this statement?

Yes ☐ No ☒

If yes, furnish the following information:

Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
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(c) DISBURSEMENTS - POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value⁵ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office? Yes ☐ No ☒

If yes, furnish the following information:

Date	Amount or thing of value	Name of political organization	Name of candidate
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V - POLITICAL PROPAGANDA

(Section 1(j) of the Act defines "political propaganda" as including any oral, visual, graphic, written, pictorial, or other communication or expression by any person (1) which is reasonably adapted to, or which the person disseminating the same believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, or in any other way influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions, or (2) which advocates, advises, instigates, or promotes any racial, social, political, or religious disorder, civil riot, or other conflict involving the use of force or violence in any other American republic or the overthrow of any government or political subdivision of any other American republic by any means involving the use of force or violence.)

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any political propaganda as defined above? Yes ☐ No ☒

IF YES, RESPOND TO THE REMAINING ITEMS IN THIS SECTION V.

17. Identify each such foreign principal.

⁵ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating political propaganda?

Yes ☐ No ☐

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of political propaganda include the use of any of the following:

☐ Radio or TV broadcasts ☐ Magazine or newspaper articles ☐ Motion picture films ☐ Letters or telegrams
☐ Advertising campaigns ☐ Press releases ☐ Pamphlets or other publications ☐ Lectures or speeches
☐ Other (specify) _____

20. During this 6 month reporting period, did you disseminate or cause to be disseminated political propaganda among any of the following groups:

☐ Public Officials ☐ Newspapers ☐ Libraries
☐ Legislators ☐ Editors ☐ Educational institutions
☐ Government agencies ☐ Civic groups or associations ☐ Nationality groups
☐ Other (specify) _____

21. What language was used in this political propaganda:

☐ English ☐ Other (specify) _____

22. Did you file with the Registration Section, Department of Justice, two copies of each item of political propaganda material disseminated or caused to be disseminated during this 6 month reporting period?

Yes ☐ No ☐

23. Did you label each item of such political propaganda material with the statement required by Section 4(b) of the Act? Yes ☐ No ☐

24. Did you file with the Registration Section, Department of Justice, a Dissemination Report for each item of such political propaganda material as required by Rule 401 under the Act?

Yes ☐ No ☐

VI - EXHIBITS AND ATTACHMENTS

25. EXHIBITS A AND B

- (a) Have you filed for each of the newly acquired foreign principals in Item 9 the following:

Exhibit A⁶ Yes ☐ No ☐
Exhibit B⁷ Yes ☐ No ☐

No new foreign principals

If no, please attach the required exhibit.

- (b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period?

Yes ☐ No ☒

If yes, have you filed an amendment to these exhibits? Yes ☐ No ☐

If no, please attach the required amendment.

⁶ The Exhibit A, which is filed on Form DJ-306, sets forth the information required to be disclosed concerning each foreign principal.

⁷ The Exhibit B, which is filed on Form DJ-304, sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

26. EXHIBIT C

If you have previously filed an Exhibit C⁸, state whether any changes therein have occurred during this 6 month reporting period.

Yes ☐ No ☒

If yes, have you filed an amendment to the Exhibit C? Yes ☐ No ☐

If no, please attach the required amendment.

27. SHORT FORM REGISTRATION STATEMENT

Have short form registration statements been filed by all of the persons named in Items 5 and 7 of the supplemental statement?

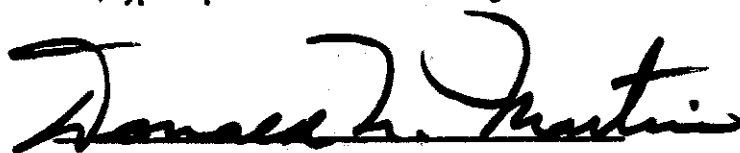
Yes ☐ No ☐ No persons named in those items

If no, list names of persons who have not filed the required statement.

The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this registration statement and the attached exhibits and that he is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in attached Short Form Registration Statement, if any, insofar as such information is not within his (their) personal knowledge.

(Type or print name under each signature)

(Both copies of this statement shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)



Donald N. Martin

Subscribed and sworn to before me at

this

6th

day of

May, 1975

HARRY MANDEL
Notary Public, State of New York
No. 41-2500600
Qualified in Queens County
Certificate filed in New York County
Commission Expires March 30, 1977


(Signature of notary or other officer)

My commission expires _____, 19 _____

⁸ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, constitution, and bylaws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause shown upon written application to the Assistant Attorney General, Internal Security Division, Department of Justice, Washington, D.C. 20530.)

UNITED STATES DEPARTMENT OF JUSTICE
REGISTRATION UNIT
CRIMINAL DIVISION
WASHINGTON, D. C. 20530

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INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

NOTICE

Please answer the following questions and return this sheet in duplicate with your supplemental statement:

1. Is your answer to Item 16 of Section V (Political Propaganda - page 7 of Form DJ-302 - Supplemental Statement):

Yes _____ or No X _____

(If your answer to question 1 is "Yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your registration:

Yes X _____ or No _____

(If your answer to Question 2 is "Yes" please forward for our review copies of all such material including: films, film catalogs, posters, brochures, press releases, etc. which you have disseminated during the past six months.)

Donald N. Martin
Signature

May 5, 1975
Date

Donald N. Martin

Please type or print name of
signatory on the line above

Owner

Title

Donald N. Martin and Company

SHORT-FORM REGISTRATION INFORMATION SHEET

Donald N. Martin d/b/a Donald N. Martin and Company
Reg. No. 1381

SECTION A

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DEPARTMENT OF JUSTICE

MAY 8 3 37 PM '75

The Department records list active short form registration statements for the following persons of your organization on the date indicated by each name. Please show below each person is still functioning in the same capacity directly on behalf of the foreign principal. If not, show date of termination.

ACTIVE?

IF YES -
ANY MAJOR
CHANGES?

DATE
ENTERED

Yes? No?

Yes? No?

Donald N. Martin

Filed 3/1/71
Trvl & PR Consultant

X

SECTION B

In addition to those persons listed in Section A, list below all current employees rendering services directly on behalf of the foreign principal(s) who have not as yet filed short-form registration statements. (Do not list clerks, secretaries, typists or employees in a similar or related capacity. If there is some question as to whether an employee has an obligation to file a short-form, please address a letter to us describing the activities and connection with the foreign principal.)

Name	Function	Date Hired
None		

Signature: Donald N. Martin

Date: May 5, 1975

Title: Owner

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UNITED STATES DEPARTMENT OF JUSTICE
REGISTRATION UNIT
CRIMINAL DIVISION
WASHINGTON, D. C. 20530
JAN 23 2 18 PM '75
REGISTRATION UNIT
INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

NOTICE

Please answer the following questions and return this sheet in duplicate with your supplemental statement:

1. Is your answer to Item 16 of Section V (Political Propaganda - page 7 of Form DJ-302 - Supplemental Statement):

Yes _____ or No XXXXXXX

(If your answer to question 1 is "Yes" do not answer question 2 of this form.)

2. Do you disseminate any material in connection with your

SECTION A

RECEIVED
DEPARTMENT OF JUSTICE

JAN 20 4 18 PM '75

The Department records list active short form registration statements for the following persons of your organization on the date indicated by each name. Please show whether each person is still functioning in the same capacity on behalf of the foreign principal. If not, show date of termination.

ACTIVE?

IF YES -
ANY MAJOR
CHANGES?

IF NO
DATE
ENDED

Yes? No?

Yes? No?

Filed 3/1/71

Travel & P.R. Consultant

XX

Donald N. Martin

SECTION B

In addition to those persons listed in Section A, list below all current employees rendering services directly on behalf of the foreign principal(s) who have not as yet filed short-form registration statements. (Do not list clerks, secretaries, typists or employees in a similar or related capacity. If there is some question as to whether an employee has an obligation to file a short-form, please address a letter to us describing the activities and connection with the foreign principal.)

Name _____

Function

Date Hired

none

Signature: _____

Date: January 15, 1975

Title:

Owner

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REGISTRATION UNIT
INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

ATTITUDE SEGMENTATION OF THE AMERICAN MARKET for PLEASURE TRAVEL TO EUROPE

Implications
For A Market
In Transition

Market Research Study Sponsored By
**THE EUROPEAN TRAVEL COMMISSION,
TIME MAGAZINE
AND AMERICAN EXPRESS**

This study is a project of ETC's research committee headed by L. J. Lickorish, British Tourist Authority. Committee members include Sven Acker of the Danish Tourist Board, M. Malherbe of the French Government Tourist Office, and Dr. T. J. O'Driscoll, ETC Executive Director.

The Commission would particularly like to express its appreciation to Ed Berrol, vice president-associate director of research, Ogilvy & Mather, Inc. for his invaluable help in preparing the study. The pages that follow comprise the text of Mr. Berrol's report presented in New York, September 5, 1974.

The research was carried out by Lieberman Research, Inc. of New York City. The project was coordinated for ETC by Donald N. Martin and Company, International Travel Development Consultants, of New York.

EUROPEAN TRAVEL COMMISSION

P. O. Box 536 Dublin 8, Ireland
630 Fifth Avenue New York, New York 10020

INTRODUCTION

Early in 1973 the European Travel Commission undertook an informal poll of its members and other elements in the travel industry to determine what they perceived as their outstanding marketing research needs.

Attitude Segmentation - Marketing Uses

A review of the responses indicated that the most commonly shared need was some ability to delineate the market into a number of discrete segments or "mini-mass markets," with different travel points of view, different needs and unique characteristics. If we could distinguish such attitude segments in the travel market we could then determine the value of each in terms of size, resources and propensity to travel so that the marketer could decide whether or not to make that segment a part of his target audience.

Having identified a segment and evaluated it, we could then examine its salient travel attitudes, concerns and predispositions, thus helping the marketer in creating products and messages to suit the needs of a particular segment, and, by identifying the segment members demographically and delineating their media and information habits, assist the marketer in determining how best to reach a chosen segment with his message.

Since this technique of segmenting a market on the basis of its attitudes is not necessarily applicable to

every industry, and since a full-scale study of this type requires fairly sizeable expenditures, we decided first to carry out a pilot feasibility study.

Pilot Feasibility Study

This was initiated in April 1973. After a series of focused group sessions with travelers and discussions with individual industry members, and a review of roughly ten years of past travel research, we carried out hour-and-a-quarter long interviews with 300 people who had been to Europe on a pleasure trip in the past three years, and a matched sample of 200 neighbors who had not been abroad previously.

Our analysis of the data obtained in that pilot phase proved that the concept of attitude segmentation could indeed be applied to the market for pleasure travel to Europe. Thus, we tentatively outlined five distinct segments among past travelers and four among the non-travelers, with varying points of view and orientations toward European travel. However, because of the relatively small samples involved, we could not be sure of the exact dimensions and characteristics of these segments; only that segments did exist in this market and that some of them, in broad outline at least, would probably resemble some of the segments described in the pilot phase. Thus, corroboration on a more definitive sample base was needed.

DEFINITIVE PHASE

SAMPLE, TIME AND PLACE OF SEGMENTATION STUDY

November '73

- 1) Expanded sample of 1,000 adults with recent experience (last 3 years) in pleasure travel to Europe.
- 2) Matched "neighbor" sample of 1,000 adults without experience in pleasure travel to Europe.
 - a) half "plan to go" in next three years*
 - b) half "did not plan to go" in next three years*

*Weighted in actual incidence in data reported in non-travelers.

In November 1973, we went into the field with the definitive phase of the segmentation study. This utilized an

expanded sample of 1,000 past pleasure travelers to

Europe, and a matched "neighbor" sample of 1,000 respondents living in the same areas who had not been to Europe.

Half of the latter were set by design to be people who intended to go in the next three years and the other half were not. (However, in analyzing data from these "non-travelers," they were weighted together in the actual proportions found.)

Interviews, which were carried out in person and based on the questionnaire tested in the pilot phase and modified on the basis of that experience, took approximately an hour to carry out.

QUESTION AREAS: ATTITUDES

In the area of attitudes, respondents were asked to rate the importance or applicability for themselves of 20 possible motives for going to Europe; 40 criteria for selecting destinations; 16 general beliefs about travel, and 36 possible travel concerns or anxieties.

In addition to these travel attitudes, they were questioned on their attitudes towards themselves including self-image and life style so that respondents' self-perceptions could be related to their orientation to travel

European Travel

- . motives for going
- . criteria for selecting destination countries
- . travel beliefs
- . travel concerns and anxieties

Self-Perception

- . image
- . life style

QUESTION AREAS: PAST AND FUTURE TRAVEL BEHAVIOR

a) European Trip

- . frequency/intention of going
- . type of travel
- . countries
- . activities
- . interest in travel concepts
- . carriers and fares
- . use of travel agent/credit card/travelers cheques
- . planning time
- . seasons
- . type of hotel
- . use of reservations
- . length of trip
- . size and composition of travel party
- . travel information sources
- . amount of vacation/number of vacations

b) Other Foreign Travel Experience

c) Domestic Travel Experience

RESPONDENT BACKGROUND

a) Media Behavior

- . magazines
- . newspapers
- . TV
- . radio

b) Demographic Characteristics

- . sex
- . age
- . income
- . education
- . occupation
- . marital status
- . family composition
- . geographic region

Past and intended future European travel experience was gone into in great detail. This included frequency of past visits and intention to go again; countries; activities while abroad; carriers and fares; use of travel agent, credit card and travelers cheques; planning time; seasons of travel; length of trip; size and composition of party; decision making and travel information sources. In addition to the European area, respondents were questioned on other foreign and domestic travel experience.

Finally, respondents were questioned on their media behavior and their demographic characteristics.

ATTITUDE FACTORS

To determine whether, in fact, there were groups of travelers sharing a common point of view towards travel abroad, and specifically towards travel in Europe, we first carried out a factor analysis of the various attitude questions to determine whether a number of the specific questions were actually tapping common themes or travel attitude factors. This proved to be true. Thus, we found that there were actually 16 such factors involved, including such areas as: history/culture/education; pleasure/relaxation/escaping routine; meeting the people/experiencing a different way of life; natural beauty/the picturesque; comfort/luxury/convenience; buying/eating/consuming; accessibility/acceptance (or the concern that one could get around readily and that the people would be welcoming); new experience/adventure; the uniqueness of a trip to Europe; child orientation, etc. Using these basic attitudinal factors, we were able to delineate five segments among the past travelers to Europe and five among the matched sample.

-
1. History/culture/education
 2. Pleasure/relaxation/escaping routine
 3. Meet the people/experience different way of life
 4. Natural beauty/the picturesque
 5. Comfort/luxury/convenience
 6. Buying/consuming/eating
 7. Accessibility/acceptance
 8. New experience/adventure
 9. Uniqueness of trip to Europe
 10. Child orientation
 11. The arts/literature
 12. The quaint/colorful
 13. Sports orientation
 14. Spontaneity
 15. Bargain/status
 16. Planning involvement

PAST TRAVELER SEGMENTS

	<u>Name</u>	<u>% of Past Travelers</u>
1	The Classic Culture Seeker	35
2	The Culture-cum-Pleasure Tourist	25
3	The Family Oriented Root Seeker	12
4	The Fun Lover	7
5	The Status Conscious Bargain Hunter	4

1. The Classic Culture Seeker, the largest past traveler segment (35%) and the best educated, predominantly travel to Europe for its cultural/educational/historical benefits and for the experience of meeting the people of a foreign culture. They have relatively little interest in such more material aspects of vacationing as buying/eating/consuming, comfort/luxury/convenience, enjoying/relaxing/escaping routine, sports or the bargain/status aspects of the trip. They seek to savor the true flavor of the country and their major concern is "too many tourists."

2. The Culture-cum-Pleasure Tourist, the second largest (25%) and most affluent past traveler group, want the cultural/educational benefits of a European trip, but, additionally, they have high interest in eating/buying/consuming. They travel in style and want their trips thoroughly planned. While they tend to take shorter trips, they add to their attendance at cultural exhibits, patronage of good restaurants, night spots and auctions and eschew only sports events.

Past Traveler Segments (continued)

3. The Family Oriented Root Seeker (12% of past travelers) is basically interested in seeing where their families came from and strong on the benefits to their children of a trip abroad. Because of this and a strong cost consciousness, they tend to stay with relatives, to spend more time visiting with them and less in museum-hopping or night clubbing.

4. The Fun Lover - a relatively small segment (7%), more apt to be male and younger than average, whose main motive for travel abroad is the general vacation theme of having fun and getting away from everyday routine. They have little interest in culture and history, but value sports and gambling. They tend to take short unstructured trips looking to meet young people of their own background.

5. The Status-Conscious Bargain Hunter - the smallest segment (4%), tends to resemble the Fun Lover in being uninterested in culture and history and having a strong interest in sports such as skiing. They go to relax/rest, which they could do anywhere, but they see a European trip as providing status and, at the time of interview, thought of it as "cheaper than U.S."

PAST NON-TRAVELER SEGMENTS

<u>Name</u>	<u>% of Past Non-Travelers</u>
1 The Ascetic Culture Seeker	35
2 The Anxious Pleasure Lover	17
3 The Rest-in-the-Sun Vacationer	22
4 The Spontaneous People Seeker	6
5 The Young Sports Fan	4

1. Among past non-travelers the largest segment is the Ascetic Culture Seeker (35%). Like their counterpart among past travelers (the Classic Culture Seeker), they too are the best educated in their group and see a European trip primarily in terms of the cultural/historical/educational benefits for themselves and their children and as a chance to meet the people of a foreign culture. However, they tend to feel guilty about "spending a large sum of money on something that is not necessary" and they are relatively low on travel abroad "to have a good time" or relax.

2. The Anxious Pleasure Lover segment is 17% of past non-travelers. While they are high on the educational/cultural motives for travel in Europe that the culture seekers prize, they are equally high on seeking such a trip as a chance to have a good time, to get away from routine. Thus, they savor the buying/eating/nightlife aspects of a trip to Europe which they are more prone to

Past Non-Traveler Segments (continued)

see as a once-in-a-lifetime affair. Nevertheless, they are more concerned than average with the friendliness of the people, the cost of the trip and what to do with their children. They worry about the future and tend to lean on others for advice.

3. The Rest-in-the-Sun Vacationer (22%) is the second largest segment among past non-travelers. It has an above average proportion of men and lower than average education. It is very low in the cultural/educational aspects of European travel and thinks mainly in terms of resting/relaxing and having a good time in the sun, an activity obviously not unique to a European vacation. While they value comfort, they look for a good vacation buy since they feel guilty about spending money "unnecessarily."

4. The Spontaneous People Seeker segment, 6% of past non-travelers, has a disproportionate share of the young, the single and of males. They have relatively little interest in the cultural or even the pleasures of sunning and night life. Their predominant interest is meeting young people like themselves, and they see a European trip as "the thing to do."

5. The Young Sports Fan is the smallest segment of past non-travelers (4%) and, like the People Seeker, most often male, young and single but better educated and less affluent. They express a relatively high interest in travel to Europe primarily for the pageantry and the scenic beauty but they are particularly high on sports abroad such as skiing, golfing and beach activities.

TODAY'S SITUATION FOR
PLEASURE TRAVEL TO EUROPE

Having identified a number of attitude segments, we would like to consider them in the light of today's situation for pleasure travel to Europe.

As we look at the traffic figures for the first four months of 1974, we find decreases of 15% (versus) last year and grim predictions of a possible 20% or 25% reduction vs. last year. Reasons for this drastic turn of events can abundantly be hypothesized.

At home we have the growth in inflation, with consequent loss of discretionary income to spend on any kind of vacation. Coupled with this we have actual job losses plus a drop in consumer confidence in job security, in expected business conditions and in anticipated income that has been described as "perilously low". All this means a sharp reduction in the number of consumers who can or feel able to spend sizeable amounts on a vacation. On the other hand, we have rising prices owing to inflation abroad, and a very sharp increase in the basic cost component of a trip to Europe, the air fare, that not only raises the absolute cost of a European trip but also reduces or even eliminates the competitive edge such travel had previously over travel to some other destinations.

Reinterview

Some insight into what has been happening can be gained from a reinterview in June and July, 1974 of 632 of respondents who had said in November that they were planning a European trip in the next 3 years. Half of these planners (51%) said on reinterview that they had considered taking a trip to Europe this year.

Of those who had not considered a European trip for this year, the most frequently given reason (cited by 40%) for not doing so was "too expensive".

Of those who had considered a European trip for this year, 38% had taken it or were definitely planning to do so; a quarter (26%) were "still undecided" and a third (34%) had definitely decided not to go. Again, among those who were still undecided or definitely not going, the reason given most often (by 36% of those not going or undecided) was that a trip to Europe was "too expensive".

As to what might happen to those who considered a trip to Europe and then decided not to go, about 2/3 (63%) said they would take a vacation trip in the U.S.; and 16% each would either stay at home on vacation or go elsewhere outside the U.S.

SALIENT DEMOGRAPHIC DIFFERENCES
BETWEEN TRAVELER VS. NON-TRAVELER

In attempting to discern what clues we could find for likely prospects for pleasure travel to Europe, we first looked generally at the travelers as compared with the non-travelers and those who said they planned to go to Europe in the next three years as against those who did not, to get some broad background indications. A comparison in demographic terms showed that even though we had sampled non-travelers on a next door basis with the past travelers there were certain discernible, and not surprising, differences between them.

Thus, the travelers are somewhat older, less likely to have children living at home, more likely to have family incomes of \$25,000 and up per annum, more likely to be college graduates, to be in households with heads in professional or technical occupations and to have vacation time of four weeks or more available to them. (The relevance of these attitudes is underscored by the fact

that non-travelers most often cited expense, presence of children and lack of sufficient time as reasons for not having gone abroad.)

Among both travelers and non-travelers, those who plan to go are wealthier and have fewer young children at home, and, at least among past travelers, the planners have more vacation time available.

Salient Demographic Differences

	<u>Past Travelers</u>	<u>Past Non-Travelers</u>
% aged 45+	45	36
Children at home	47%*	60%
\$25,000+ income	27%**	15%
College graduate	40%	27%
Professional/technical	23%	16%
More than 4 weeks vacation	35%	25%

* Non-planners 53%

** Non-planners 20%

GENERAL MOTIVES FOR TRAVEL TO EUROPE

	<u>Past Travelers</u>	<u>Past Non-Travelers</u>
To have good time	84%	81%
Get away from everyday routine	55%	52%
To rest/relax	48%	53%
To enjoy sunshine	27%	29%
To eat in famous restaurants	26%	25%
Children would enjoy	23%	29%

In reviewing respondents' own evaluation of various possible motives for travel to Europe, it became apparent that there were a group of general vacation motives that were equally important for both the travelers and non-travelers. These included such motivations as: "to have a good time," "to get away from everyday routine," "to rest/relax," "to enjoy sunshine," because "children would enjoy" and "to eat in famous restaurants." These, on their face, were satisfactions that could apply equally well to most vacation trips at home or abroad and, additionally, did not distinguish between our past travelers' and non-travelers' motives.

"CULTURAL" MOTIVES FOR TRAVEL TO EUROPE

On the other hand, there were another group of motivations which were not only given higher ratings by past travelers than non-travelers but, in fact, among those who hadn't been to Europe, the planners scored them higher than did the non-planners.

These attitudes might broadly be characterized as cultural motives which in large part could only be satisfied in Europe, or could better be satisfied there than in a vacation at home or many other places with less Western history or a smaller available store of art and culture

	<u>Past Travelers</u>	<u>Past Non-Travelers</u>
It's educational	75%	64%
To experience a different culture/way of life	71%	62%
To see old historical places	70%	63%
To see how people in other countries live	64%	50%
It's culturally broadening	63%	50%
To see art exhibitions, paintings, sculpture	51%	42%
To see the beginning of our civilization	34%	24%

"CULTURAL" MOTIVES FOR TRAVEL TO EUROPE

(Among Past Non-Travelers)

	<u>Planners</u>	<u>Non-Planners</u>
It's educational	69%	62%
To experience a different culture/way of life	68%	60%
To see old historical places	67%	61%
To see how people in other countries live	56%	48%
It's culturally broadening	56%	48%
To see art exhibitions, paintings, sculpture	48%	40%
To see the beginning of our civilization	30%	23%

These included such motives as "educational," "experience a different culture," "to see old historical places," "to see how people in other countries live," "it's culturally broadening," "to see art/paintings/sculpture" and "to see the beginning of our civilization"; all of which were given higher ratings by past travelers than non-travelers and by planners than non-planners among the past non-travelers.

CULTURAL CRITERIA

	<u>Past Travelers</u>	<u>Past Non-Travelers</u>
Interesting cities	77%	68%
Historical places	68%	60%
Interesting ruins	56%	49%
Museums/art galleries	55%	47%
Opera/ballet	28%	21%

A further clue to the kinds of values that distinguish the past traveler from the past non-traveler can be found in the ratings given to criteria for selecting destinations. Thus, the past travelers give higher ratings than do the past non-travelers to such unique cultural/historical items as "interesting cities," "historical places," "interesting ruins," "museums/art galleries" and "opera/ballet."

CULTURAL CRITERIA AMONG PAST NON-TRAVELERS

For all these criteria the planners among those who have not been to Europe give higher ratings than the non-planners.

On the other hand, such general criteria as "good weather," "beaches" and "sporting events" are given higher ratings by the past non-travelers than past travelers and by the non-planners than the planners.

Given these differences between past travelers and non-travelers and planners and non-planners, we can postulate the basic criteria for "inflation-proof segments" of American prospects for pleasure travel to Europe, i.e., those to whom we may have the best chance of selling in spite of current conditions.

First we must locate segments that particularly value the kinds of cultural/historical/aesthetic attractions that Europe can best offer because of its key place in the historical stream of Western civilization. Those values provide the discriminating attitudinal difference between those who have been to Europe and those who

	<u>Planners</u>	<u>Non-Planners</u>
Interesting cities	78%	65%
Historical places	68%	57%
Interesting ruins	53%	48%
Museums/art galleries	54%	45%
Opera/ballet	29%	18%

Cultural Criteria Among Past Non-Travelers (continued)

haven't, and those who plan to go and those who don't.

Given that basic orientation, if we can find a segment that couples its cultural interests with a desire for luxury/comfort/service and the material good things of life and has the affluence and willingness to pay for them, then, in fact, we have one possible inflation-proof segment. Even during eras of rising prices, there are parts of the population whose income keeps pace with and even outdistances prices. Thus, for example, a recent newspaper article (8/16), titled "Affluent Families Spend Freely on Vacation," describes an island resort where a room for two costs upwards of \$95 a day and where a family of four can easily spend \$2,000 in a week, yet a resort whose bookings this summer are twice last year's. The article concludes that "despite stock market blues many people with money are spending it this year." If we can find such an affluent segment which prizes what Europe uniquely offers, that could be one target group.

A second possibility is to find a segment which is very much involved with the unique benefits that a European trip offers and which, while perhaps not outstandingly affluent, is also not looking for the ultimate in luxury and comfort but primarily for gratification of its cultural needs in relatively modest surroundings. If such a segment exists and has at least reasonable resources, its greater motivation for the unique attractions of Europe then provides another target market for European travel, albeit for a different kind of product than might attract the first segment we have hypothesized.

We will now examine two segments among the part travelers in the light of these criteria for "inflation-proof" market targets. If they qualify, we will additionally outline the other salient ways in which they differ from other past travelers as possible clues to the best means to market European travel to these segments.

THE CLASSIC CULTURE SEEKER SEGMENT

The first of these is the segment we have labelled the "Classic Culture Seeker." This group is 35% of our past travelers to Europe.

Let us look at the specific ratings given by this "Classic Culture Seeker" segment as compared with those given by the total sample of past travelers to Europe. First on "motives" for going to Europe.

This group is significantly higher than the average on such cultural/historical motives for travel as "see the beginning of civilization," "see how people in other countries live," because it's "educational," to see "old, historical places," "experience different culture," because it's "culturally broadening" and "to meet the people" (of a different culture).

On the other hand, this segment is significantly below average in their valuation of such non-cultural general vacation motives as "to have a good time," "to enjoy sunshine," "to rest/relax" and "to get away from routine" and such material, "consuming" aspects of travel as "to buy things" and "to eat in famous restaurants."

<u>Classic Culture Seekers vs. All Past Travelers</u>	
<u>Motives for Visiting Europe</u>	
	- Avg. + Avg.
To see beginning of civilization	+ 14
To see how people in other countries live	+ 13
It's educational	+ 12
To see art exhibits/paintings/sculpture	+ 11
To see old historical places	+ 11
To experience different culture	+ 10
It's culturally broadening	+ 9
To meet the people	+ 9
To have good time	- 8
To buy things can't get at home	- 10
To enjoy sunshine	- 14
To eat in famous restaurants	- 14
To rest/relax	- 10
To get away from routine	- 20

Classic Culture Seekers vs. All Past Travelers (continued)

	<u>Criteria for Selecting Destinations</u>	
	<u>- Avg.</u>	<u>+ Avg.</u>
Museums/art galleries		+ 16
Interesting ruins		+ 11
Opera/ballet/concerts		+ 11
Cathedrals/churches		+ 10
Historical places		+ 9
Castles/chateaux		+ 8
Gambling	- 9	
Good nightlife	- 13	
Good vacation buy	- 18	
Good weather	- 21	

Again, if we look at the criteria by which they judge European destinations, we find them above average on such items as: "museums/art galleries," "interesting ruins," "opera/ballet/concerts," "cathedrals/churches," "historical places" and "castles/chateaux." On the other hand, they give below average rating to such items as: "gambling," "night life," "weather," "good public transport" and, significantly, whether the destination is "a good vacation buy."

Once more we find this group prizing most highly the cultural values we found strongly linked to past and planned European travel.

Classic Culture Seekers vs. All Past Travelers (continued)

We get further insight into their travel orientation if we compare the general travel attitudes of these Culture Seekers with the total past travelers; we again find them low on "traveling in style," "good service" and "being comfortable," and also on "planning too much" or relying on others' recommendations.

Again, in reaction to a group of tour concepts, we find them above average on "historical," "castle," "art lovers" and "fly & drive" tours but below average on "cruise," "great restaurant," "luxury," and the "sun and sand" tours. Thus, all their travel attitudes underline their involvement with the cultural and their downgrading of the material and the luxurious.

Attitudes re European Travel

	- Avg.	+ Avg.
Don't plan too much for trip; let things happen		+ 8
Get enjoyment from planning European trips	- 6	
Trip to Europe may be once-in-a-lifetime; do it in style	- 9	
Like to visit places people recommend	- 10	
Like everything for trip abroad planned ahead of time	- 22	
Good service important when traveling	- 27	
Being comfortable is very important to me wherever I am	- 27	

Preferred Tour Concepts

Historical Tour	+ 10
Art Lovers Tour	+ 8
Fly & Drive Tour	+ 5
Castle Tour	+ 4
Cruise Tour	- 5
Great Restaurant Tour	- 10
Luxury Tour	- 12
Sun & Sand Tour	- 7

Classic Culture Seekers vs. All Past Travelers (continued)

Self-Image

	<u>- Avg.</u>	<u>+ Avg.</u>
<u>Life Style</u>		
Adapt easily to new situations		+ 5
Worry about future	- 6	
Feel good when someone tells me what to do	- 8	
Enjoy spending \$ freely	- 9	
Fussy about eating	- 14	
Things changing too fast	- 14	
Fussy where sleep	- 19	
<u>Personality</u>		
Comfort loving	- 21	
Convenience seeking	- 17	
Luxury loving	- 19	

Finally, this is confirmed in their self-image. While they are above average on "adapting easily to new situations," they are below average on rating themselves as "fussy" about eating or sleeping, on being "comfort loving," "convenience seeking" or "luxury loving." Additionally, they are lower than average on "spending freely," "feeling good when someone tells them what to do" or "worry about the future."

In essence we have a secure, self-sufficient segment, which is very high on the cultural/educational/historical aspects of a European trip and low on the general non-cultural vacation motives but which rejects rigid planning and the luxury/comfort/consumption aspects of travel in Europe. It very much wants "culture," but on its own terms and without the trappings of high priced consuming. The only travel concern on which it is above average is a fear of "too many tourists."

Classic Culture Seekers vs. All Past Travelers (continued)

This is the largest of the past traveler segments, 35% of the group. While slightly below the past traveler average in family income, they are comfortably middle income, if not affluent, with 6 out of 10 in the \$15-25 thousand range and more than a quarter having incomes of \$25,000 or better.

They are average for the group in past travel to Europe (44% having been more than once) and future intention to go (about two-thirds). Their European trips are longer than average, with about a third having gone for a month or longer, and they are somewhat above average on other foreign travel experience, with half having been to Mexico (9 points higher than average). Two-thirds of them have four weeks or more vacation available, again better than the past traveler average.

While not wealthy, they have financial and time resources to back up their interest in culture-seeking Europe. They have a well-developed travel habit and a strong majority plan to go to Europe in the near future.

<u>Potential Value to Travel Market</u>			
	<u>- Avg.</u>	<u>Segment Rating</u>	<u>+ Avg.</u>
<u>% of Past Travelers</u>		36%	
<u>Income</u>			
\$25,000+		28%	
\$15,000-\$24,999	- 5	34%	
\$15,000+	- 4	62%	
<u>Europe Travel</u>			
Been to Europe 1+x		44%	
Plan to go to Europe in next three years		63%	
Last trip to Europe 1 month or longer		37%	+ 5
<u>Been Abroad Outside Europe</u>		90%	+ 5
Mexico		53%	+ 9
<u>Have 4+ weeks vacation</u>		63%	+ 7

Classic Culture Seekers vs. All Past Travelers (continued)

Travel Patterns

	<u>- Avg.</u>	<u>Segment Rating</u>	<u>+ Avg.</u>
<u>Type European Travel Preferred</u>			
Independent		60%	+ 10
<u>Hotel Preference</u>			
Caters to local population		62%	+ 17
Older/Flavor of country		70%	+ 20
<u>Seasonal Preference</u>			
Spring		46%	+ 4
Fall		37%	+ 6

What do we know of their general travel patterns? They are high on independent travel, hotels that cater to the local population rather than to tourists and on those that have the flavor of the country rather than new ones with modern conveniences, and are moderately more inclined to off-season travel than the average.

While about half make hotel reservations before leaving, they are lower on average on booking hotel rooms or passage through travel agents.

Classic Culture Seekers vs. All Past Travelers (continued)

In terms of salient differences in background characteristics, between this segment and the total past traveler sample, they include slightly more females than the group average and are also somewhat younger than average.

They are more apt to be in professional or technical occupations than average of the past travelers, and have more college graduates but somewhat fewer married people for their group. They have less representation from the Northeast and more from the South and Far West than does the total past traveler group.

<u>Demographic Characteristics</u>		
	<u>- Avg.</u>	<u>Segment Rating</u>
<u>Sex</u>		<u>+ Avg.</u>
Female		55%
		+ 5
<u>Age</u>		
18-34		42%
35-44		21%
45+	- 8	37%
		+ 9
<u>Occupation</u>		
Professional/Technical		30%
		+ 7
<u>Education</u>		
Completed college		51%
		+11
<u>Marital Status</u>		
Married	- 6	67%
<u>Region</u>		
Northeast	-15	22%
South		21%
Far West		35%
Midwest		22%
		+ 5
		+12

Classic Culture Seekers vs. All Past Travelers (continued)

Travel Information and Media Habits

<u>Source Information on</u>	<u>Segment</u>	
	<u>- Avg.</u>	<u>Rating</u>
<u>Europe</u>		
Travel books		30%
Travel agent	- 8	47%
		+ 6
<u>Magazines Regularly Read</u>		
National Geographic		25%
Time		43%
House and Garden		10%
Newsweek		29%
Reader's Digest		26%
		--
		--
<u>TV Watched in Prime Time</u>		
(Weekday)	- 10	70%
<u>Preferred TV Programming</u>		
Documentaries		58%
		+ 12
<u>Preferred Radio Programming</u>		
Classical music		46%
		+ 11

With regard to travel information sources, this group relies somewhat more on travel books and somewhat less on travel agents than do most past travelers.

They are above average in their readership of National Geographic, Time and House and Garden; slightly low on TV watching (on which they prefer documentaries). They are average radio listeners and prefer classical music more than the average for past travelers.

This then is the pattern of our Classic Culture Seeker. They want their history/culture/art badly and are willing and, in fact, prefer to avoid luxury and high style consumption in their European travel.

THE CULTURE-CUM-PLEASURE TOURIST SEGMENT

The second key segment we suggest considering as a possible "inflation-proof" target is the Culture-cum-Pleasure Tourist segment, 25% of past travelers.

If we look at their ratings of motives for European travel, we see above average valuation of culture and art and seeing old historical places but also of eating in famous restaurants, buying things that can't be gotten at home, having a good time and escaping routine.

They are below average on meeting the people or seeing family origins.

<u>Culture-cum-Pleasure Tourist vs. All Past Travelers</u>	
<u>Motives for Visiting Europe</u>	
	<u>- Avg.</u> <u>+ Avg.</u>
To eat in famous restaurants	+ 26
To get away from routine	+ 23
To buy things can't get at home	+ 21
Culturally broadening	+ 10
To have a good time	+ 10
To see art exhibitions/paintings/ sculpture	+ 9
For different kind of experience	+ 8
To see old historical places	+ 6
To meet the people	- 8
To meet foreign people of my own age/background	- 13
To see place family came from	- 19

Culture-cum-Pleasure vs. All Past Travelers
(continued)

Criteria for Selecting Destinations

	<u>- Avg.</u>	<u>+ Avg.</u>	
Good things to buy	+ 26		In rating criteria for selecting destinations, this segment is above average on such "cultural" criteria as exotic atmosphere, theatres, colorful costumes, interesting cities, stately homes, interesting ruins and museums and art galleries. However, it is even more above the average for the past travelers in rating such "consuming" pleasures as good things to buy, good hotels, gambling, good restaurants, good night life (and "good vacation buy").
Good hotels/inns	+ 25		
Gambling	+ 23		
Good food/restaurants	+ 22		
Good nightlife	+ 20		
Good vacation buy	+ 15		
Exotic atmosphere	+ 14		
Good weather and sun	+ 14		
Theatres	+ 13		
Colorful local costumes	+ 11		
Interesting cities	+ 10		
Museums and art galleries	+ 7		
Stately homes	+ 6		
Interesting ruins	+ 6		

Thus, this segment is definitely above average in seeking the cultural benefits of Europe. It combines, with this cultural bent, a strong desire for the more material pleasures and the "good life" while traveling.

Culture-cum-Pleasure Tourist vs. All Past Travelers
(continued)

Their mixed orientation towards travel abroad is well exemplified in their response to a list of hypothetical tours. Thus, they give above average acceptance to cultural-theme concepts, such as festival and theatre tours, but even higher response to the more material or sensate themes embodied in great restaurant, fashion, antique and luxury tours.

The self-image of these Culture-cum-Pleasure tourists reinforces the picture of a group who dote on luxury/comfort/convenience, who are fussy about their eating and sleeping arrangements, who get upset if things don't go right but are above average in enjoying spending money freely.

They have a strongly favorable view of themselves (as appearance, sophisticated, successful, etc.); have high demands but are willing to pay for value received.

Preferred Tour Concepts

	<u>- Avg.</u>	<u>+ Avg.</u>
Great Restaurant Tour		+ 18
Fashion Tour		+ 11
Antique Tour		+ 10
Luxury Tour		+ 8
Festival Tour		+ 7
Theatre Tour		+ 6

<u>Life Style</u>	<u>Self-Image</u>
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Fussy about where I sleep	+ 22
Like to have things first class	+ 21
Fussy about where I eat	+ 16
Enjoy spending money	+ 13
Get upset if things don't go right	+ 10

Personality

Luxury loving	+ 22
Comfort loving	+ 21
Convenience seeking	+ 17
Aggressive	+ 10
Sophisticated	+ 10
Intelligent	+ 9
Well-organized	+ 8
Successful	+ 8

<u>Potential Value to Travel Market</u>		
	<u>- Avg.</u>	<u>Segment Rating</u>
% of Past Travelers:		25%
<u>Income</u>		
\$25,000+		35%
\$15,000-\$24,999		41%
		76%
<u>Been Abroad Outside U.S.</u>		
<u>Past 3 Years</u>		
Puerto Rico		20%
Other Caribbean		22%
<u>Hotel Last Trip</u>		
Deluxe		30%
1st class		55%
<u>Use of First Class Flight on last Trip to Europe</u>		14%
<u>Plan to Use Travel Agent Next Trip to Europe</u>		75%
<u>Devaluation Makes European Trip less Likely</u>	- 7	29%
<u>Credit Card Ownership</u>		
Master Charge		54%
American Express		42%
Diners Club		14%

Culture-cum-Pleasure Tourist vs. All Past Travelers
(continued)

With regard to their potential value to the travel market, this is the second largest past traveler segment (25% of the total). They are the most affluent traveler segment with a third having incomes of \$25,000+; 3/4 have \$15,000+. They have higher than average past travel to vacation spots in Puerto Rico and other Caribbean resorts and above average use of Deluxe and First Class hotels and First Class airfares.

Additionally, they are above average in intended use of travel agents and credit card ownership; they are below average in saying that devaluation will make a European trip less likely for them. In essence, this is a segment which not only values the unique cultural aspects of Europe, but wants to do their traveling in high style and have the affluence to carry out their interests.

Culture-cum-Pleasure Tourist vs. All Past Travelers
(continued)

What can we learn about marketing to them from their general travel patterns? This segment shows above average preference for escorted tours and up-to-date hotels with modern conveniences that cater to tourists, rather than the older hotel with flavor-of-the-country that caters to the local population. They are more willing than the average to consider a short (two-week or less) trip to Europe and are more likely than average to have a short lag time between booking and trip.

<u>Travel Patterns</u>		
	<u>- Avg.</u>	<u>Segment Rating</u>
<u>Type European Travel Preferred</u>		
Escorted Package	31%	+ 10
<u>Hotel Preference</u>		
Caters to tourists	38%	+ 14
New/modern conveniences	52%	+ 21
<u>Minimum Time for European Trip</u>		
2 weeks or less	55%	+ 21
<u>Lag Time</u>		
2 weeks	30%	+ 10

Culture-cum-Pleasure Tourist vs. All Past Travelers
(continued)

Demographic Characteristics

	- Avg.	Segment Rating	+ Avg.
<u>Age</u>			
18-24	- 8	4%	
25-34	- -	22%	
35-44		31%	+ 9
45+	- 2	43%	
<u>Income</u>			
\$25,000+		35%	+ 8
<u>Occupation</u>			
Professional/Technical	- 6	17%	
Managerial/Official/ Proprietor		14%	+ 4
<u>Region</u>			
Northeast		61%	+23
South	-10	6%	
Far West	-11	13%	
Midwest	- 2	20%	
<u>Marital Status</u>			
Married		78%	+ 5
<u>Education</u>			
Completed college	- 6	34%	
Some college	- 2	26%	

In terms of salient demographic differences between this segment and the bulk of past travelers, we have already noted that they have the highest proportion with incomes over \$25,000 (35%) and somewhat more tendency to be businessmen and less to be professionals than average for their group.

Six out of ten of them come from the Northeast as against only 4 out of 10 for the total group. They are somewhat more likely to be married and less likely to be college graduates than are the other past travelers.

Culture-cum-Pleasure Tourist vs. All Past Travelers
(continued)

Compared with the total of past travelers, they rely more on the travel agent and community organization for information than average; are average in reading Time and Newsweek, somewhat above average for Reader's Digest and House and Garden, and below average for National Geographic. They are above average TV watchers (especially variety and talk shows) and situation comedies and panels, and their preferred radio listening is the news.

<u>Travel Information and Media Habits</u>			
	<u>- Avg.</u>	<u>Segment Rating</u>	<u>+ Avg.</u>
<u>Source Information on Europe</u>			
Travel agent		65%	+ 10
Community organization		13%	+ 6
<u>Magazines Regularly Read</u>			
Reader's Digest		34%	+ 6
House and Garden		17%	+ 5
Time		35%	--
Newsweek		27%	--
National Geographic	- 7	12%	
<u>TV Watched in Prime Time</u>			
(Weekday)		92%	+ 12
<u>Preferred TV Programming</u>			
Variety		37%	+ 10
Talk Shows		42%	+ 9
Situation Comedies		37%	+ 8
Panels		26%	+ 8
<u>Radio Listening</u>			
(Weekday)		78%	
<u>Preferred Radio Programming</u>			
News		77%	+ 7

PRIME TARGETS FOR TRAVEL TO EUROPE

In essence then, we have identified two sizeable segments of past travelers -- the Classic Culture Seeker and the Culture-cum-Pleasure Tourist -- who, because of their high valuation of the unique cultural values of Europe, should be prime targets for travel to Europe in a market in transition.

We have outlined their primary travel attitudes and delineated their salient travel habits and relevant demographic and communication patterns. On the basis of this information, the travel marketer can decide whether it makes sense for him to pursue one or both of these sub-markets in the light of today's travel situation. In the case of one, the Culture-cum-Pleasure group, their relative affluence and desire for luxury travel makes

relevant their importance in spite of rising prices. However, just because of their resources and general luxury tastes, they have more options and competition for their custom will be more strenuous.

With regard to the other, the Classic Culture Seeker, their affinity for the cultural benefits of Europe is even greater but their resources are less. However, since they are willing to use and, in fact, prefer more modest facilities, an opportunity may exist to sell them European culture - traveling "as the Europeans do".

It should be noted, additionally, that in targeting in on these two past traveler segments, an opportunity is also presented to appeal to two segments of past non-travelers:

Prime Targets for Travel to Europe (continued)

Ascetic Culture Seeker

The Ascetic Culture Seeker, 35% of the past non-travelers, shows the values of the Classic Culture Seeker among the past travelers, and thus similar products and appeals should have attraction to this segment (although their greater preoccupation with costs may make them a more difficult sale).

Anxious Pleasure-Lover

Also, among the non-travelers, the Anxious Pleasure-Lover segment, who account for 17% of the past non-travelers, resemble in their interests the Culture-cum-Pleasure Tourist and thus should be attracted to programs and appeals positioned at that traveler segment.

In sum, during this period of great flux for the American pleasure travel market to Europe, attitude segmentation research can give some help in selecting those consumer groupings most likely to be amenable to marketing efforts. It can give the marketer an idea of the relative value of each segment selected and a view of their predispositions and relevant characteristics and behavior. The specific way in which the data is implemented is, of course, up to each individual marketer and his organization's particular resources and needs.

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For immediate release

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For: EUROPEAN TRAVEL COMMISSION

MAY 8 3 38 PM '75

EUROPEAN TRAVEL COMMISSION CALLS MARKETING CONFERENCE ON UNIT
TO PRESENT NEW \$100,000 SEGMENTATION STUDY, AIR FARES REPORT
INTERNAL SECURITY
CRIMINAL DIVISION

The European Travel Commission has called a special meeting of key industry executives to present findings of a \$100,000 study on Attitude Segments Among Vacation Travelers to Europe. The conference -- "New Insights for Marketing Decisions" -- will be held Thursday, September 5, from 2:30 to 5:30 p.m. in the 8th floor Auditorium, Time & Life Building, New York City.

Leonard J. Lickorish, director general, British Tourist Authority, and chairman of ETC's research committee, is coming from London to lead a discussion of practical marketing applications of the research findings. Dr. Timothy J. O'Driscoll, ETC Executive Director, will also address the conference.

The study, sponsored by ETC in cooperation with Time Magazine and the American Express Company, is the first major segmentation research undertaken in the tourism industry, although this approach has been used successfully by other industries.

"Given the current state of the U.S. market," Dr. Heinz Putzok, ETC's U.S. chairman and director of the Austrian National Tourist Office, said, "the data is particularly pertinent at this time to executives concerned with devising more effective marketing strategies. We are seeking an exchange of views on the current situation and ample time has been reserved for open discussion."

An independent study of the influence of air fares on travel to Europe by the Air Transport Institute (Paris), which was commissioned by ETC, will also be reported for the first time at the meeting.

Information on registering for the conference may be obtained from the European Travel Commission, 630 Fifth Avenue, New York, N.Y. 10020, telephone (212) 246-8723.

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Contact: John Harrison

For: THE EUROPEAN TRAVEL COMMISSION

For release after 2:30 p.m.
Thursday, September 5, 1974

NEW STUDY OF TRANS-ATLANTIC AIR FARES
AIRED AT EUROPEAN TRAVEL CONFERENCE

North Atlantic airlines could minimize dilution of their revenues and get a better sense of their markets if they simplified the fare structure. This is one of the key conclusions of a new study of the influence of air fares on European travel presented at a European Travel Commission marketing conference in New York Thursday afternoon, September 5.

The study, prepared for the ETC by the Institute of Air Transport (Paris), also finds that in this current period of limited air traffic growth the carriers would benefit by abandoning marginally profitable promotional fares while holding down their operating costs by increasing utilization of high-density, wide-body aircraft.

Dr. Timothy J. O'Driscoll, ETC Executive Director, reported on the study which is the first survey of the air fares situation jointly sponsored by the European national tourist organizations.

In suggesting a simplification of the North Atlantic fare structure, the study says it would be "desirable not only for passengers but for the airlines. Carefully planned, it should provide a better knowledge of the market's behavior with respect to prices and...an optimum development of demand in the measure allowed by the development of operating costs."

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Recommended is a maximum of 10 fare levels, with no more than four or five in force at the same time during any part of the year. These fares should be clearly differentiated, the study says, allowing a clear and easy choice for passengers.

The study notes that the most direct means of holding down the necessity for fare increases lies in the maximum utilization wherever practicable of high-density aircraft with their lower seat-mile operating costs. The aim should be full utilization through shuttle services, part or full charters or any other formula which would ensure adequate revenue levels.

If the airlines do not manage to reduce their seat-mile costs, improve their load factors or realize a simpler, more effective range of fares, some form of governmental assistance would be necessary to avoid steep rises in tourist expenses, the study says.

To meet the problem of rising holiday costs, the study suggests emphasis on the European type of inclusive tour programs, now little used by travelers originating in the U.S. Greater use of the inclusive tour formula would also benefit hotels, according to the study.

In light of the current round of fare increases, the closest collaboration will be required between the national tourist offices and the airlines to promote future growth on the North Atlantic. One form this collaboration could take, the study finds, is joint research aimed at bettering the geographical distribution of tourist arrivals in Europe through the introduction of new gateways in countries with relatively large land masses.

Special attention should be given to the youth market, according to the study. In the absence of specially designed youth fares, the fare structure should contain a formula adapted to the needs of this large market segment.

The study calls for joint, concerted research by ETC and other interested organizations to remedy seasonal fluctuations in traffic flow, and notes that the ETC has a useful role to play in organizing public information campaigns which would promote appropriate means to even out traffic distribution.

In conclusion, the study recommends policies which would avoid further sudden increases in fares, and says that work must begin immediately to protect conditions for growth in 1975 and 1976. "The North Atlantic has always been the testing ground for improvements in world air transport," the study notes. "All improvements concerning it may be applied in other areas of the world."

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For: THE EUROPEAN TRAVEL COMMISSION

EUROPEAN TRAVEL COMMISSION ANNOUNCES
PROGRAM FOR TRANS-ATLANTIC MARKETING CONFERENCE
REGISTRATION UNIT
INTERNAL SECURITY
SECTION
COMMUNAL DIVISION

Dr. Heinz Patzak, U.S. Chairman ETC and director of the Austrian National Tourist Office, announced today (August 26) the program for the conference "New Insights for Marketing Decisions" to be held Thursday, September 5, from 2:30 to 5:30 p.m. in the 8th floor Auditorium, Time & Life Building, New York City. Key industry executives have been invited to the presentation.

On hand from Europe to lead the discussions will be Leonard J. Lickorish, director general, British Tourist Authority, and chairman of ETC's research committee, and Dr. Timothy J. O'Driscoll, ETC executive director and former ETC president. Dr. O'Driscoll will open the program with a presentation of a new study done for ETC by the Air Transport Institute (Paris) on The Influence of Air Fares on Travel to Europe. This will be followed by an introduction to the new market research study Attitude Segments Among American Vacation Travelers: Implications for a Market in Transition by Mr. Lickorish.

Presentation of the findings will be made by Edward Berrol, vice president and associate research director, Ogilvy & Mather Inc.

A panel discussion on Marketing Applications of the Findings will follow. Panelists are: Mr. Lickorish, moderator; Steve Halsey, senior vice president, Travel Related Services, American Express; Frank Kaiser, staff vice president, Atlantic Marketing Development, Pan American World Airways; Guido Vittori, director, North American Division, Alitalia Airlines; Carl Helgren, president, ASTA; Rolf Hoehn, marketing manager, Lufthansa; Albert Van Brunt, Van Brunt and Company; Arthur Frommer, president, Five Dollar A Day Tours. A question and open discussion session will complete the program.

Further information on the conference may be obtained from ETC, 630 Fifth Ave., New York, N.Y. 10020, telephone (212) 246-8723.

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NEW STUDY OF U.S. MARKET FOR TRAVEL TO EUROPE
IDENTIFIES 'INFLATION-PROOF TRAVELER'

"Is there an inflation-proof traveler, and what motivates him or her to vacation in Europe?" The answers to those questions are "yes" and "culture," according to a new, first-of-its-kind market research study whose findings were presented September 5 at a special European Travel Commission marketing conference in New York.

The study, "Attitude Segments Among American Vacation Travelers to Europe," is based on in-depth interviews with 2,000 Americans, divided equally between those who have been to Europe and those who haven't. The study was conducted under the direction of the ETC research committee headed by Leonard J. Lickorish, director general of the British Tourist Authority.

The occasion for the announcement of the findings was "New Insights for Marketing Decisions--Implications for a Market in Transition," an ETC conference which brought together some 200 travel marketing executives for an examination of the market segments which are prime targets for travel to Europe.

Cultural interests are the main moving force for 60 per cent of those who have traveled to Europe, the study finds. And those with strong cultural interests--as opposed to ethnic, sun 'n fun, status conscious or bargain travelers--are most often those who are better educated and in better shape economically in this period of economic uncertainty.

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The study focuses on two types of travelers for whom cultural pursuits-- museums, galleries, historical sightseeing, opera, theatre and ballet--are foremost. First, what the study calls the "classic culture seeker." It finds that this group makes up a hefty 35 per cent of the market. It is comfortably middle class with six out of ten in the \$15-25,000 income range, and more than a quarter making better than \$25,000 a year.

Two-thirds of them have four weeks or more vacation. They rely more on travel books and an independent spirit than on travel agents and organized tour programs. They tend to shun de luxe and first class hotels and restaurants and are eager to sample tourist facilities used by the local populations of the countries they visit.

According to the study: "They have a well-developed travel habit and a strong majority plan to gratify it in Europe in the near future."

The next largest segment of the market (25 per cent) are those whom the study terms the "culture-cum-pleasure" tourists. More affluent than the "classic culture seekers," one-third earn over \$25,000 annually and three-quarters are above the \$15,000 mark. This is a group which wants the cultural/educational benefits of a European trip, but also has high interest in dining, shopping and enjoying nightlife. Their trips are usually of shorter duration than those of the first group, but more organized and free-spending. They utilize travel agents more than the first group and tend to travel in style.

They have above average acceptance of culture-theme travel programs such as theatre or festival tours, but respond even more positively to material themes embodied in such items as great restaurants, high fashions, antiques and luxuries.

This affluent group has a somewhat lesser proportion of college graduates than the "classic culture seekers," and is more likely to come from the Northeast than the other group, which tends to be relatively more numerous in the Far West

and the South. It is above average in its television watching habits, and favors talk shows and situation comedies, while the first group leans more toward documentaries.

When it comes to magazine reading, the "classic culture seeker" favors news magazines, which also rate high with the "culture-cum-pleasure" group.

The study examined 20 possible motives for European travel, 40 criteria for selecting destinations, 16 general travel beliefs, and 36 possible travel concerns or anxieties in questioning participants.

The presentation of the study was followed by open discussion with a panel in which Mr. Lickorish served as moderator. Panel members included Stephen F. Halsey, senior vice president, Travel Related Services, American Express; Frank Kaiser, staff vice president, Atlantic Marketing Development, Pan American World Airways; Robert L. McMullen, president-elect, American Society of Travel Agents; Rolf Hoehn, marketing manager, Lufthansa German Airlines; Albert D. Van Brunt, chairman, Executive Committee, Van Brunt & Company; William F. Prigge, vice president-marketing, Hilton Hotels International, and Don Martin, president, Donald N. Martin and Company.

Edward Berrol, vice president and associate research director, Ogilvy & Mather Inc., supervised the research project. The field work was carried out by Lieberman Research, Inc.

The study was sponsored by the ETC in cooperation with Time Magazine and American Express.

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EUROPEAN TRAVEL COMMISSION
ANNOUNCES 1975 PROGRAM

The European Travel Commission has announced 1975 promotional plans which emphasize cooperative actions with the industry to support sales efforts of travel agents. The basic promotional budget for the U.S. is \$335,000, an increase of 22% over 1974.

Dr. Patzak, ETC's U.S. Chairman and Director, Austrian National Tourist Office, said that the consumer campaign will be directed especially toward the relatively inflation-proof segments of the market identified in a new ETC research study--the "classic culture seekers" and the "culture-cum-pleasure" travelers, who have previously visited Europe, and to their counterparts who have not been to Europe but are planning trans-Atlantic vacations. ETC will seek the cooperation of carriers and others in a Spring print advertising campaign featuring a special supplement in The New York Times and advertising in 12 additional major markets throughout the country.

The theme of the ETC campaign is America's European Heritage, which will stress the cultural, historical and educational appeals of European travel identified in the recent research, as well as basic motivations such as having a good time, getting away from everyday routine, rest and relaxation and so on. The heritage theme is linked to the Council of Europe's 1975 Architectural Heritage Year but broadened by ETC to include music, theatre, art, food, as well as opportunities to meet the people and experience different life styles.

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Dr. Patzak said that the campaign will reassure prospective travelers that Europe offers the best "value for money," a principal concern of most people.

These themes are now being promoted in a special radio campaign which will continue through February in 10 top markets. The radio spots feature travel authorities such as Richard Joseph, syndicated columnist and travel editor of Esquire Magazine, Frances Koltun, noted journalist, radio and TV personality, Myra Waldo, broadcaster and best-selling travel writer, Caskie Stinnett, editor of Travel and Leisure Magazine and Paul Friedlander, editor of the nationally syndicated Traveler's World column. Mr. Joseph spells out the cost advantages of European tour packages. All of the radio spots direct the public to their travel agent. The ETC campaign will be merchandised to travel agents through the trade press and sales bulletins.

Dr. Patzak said that the 1975 ETC program provides for a continuing public relations effort on a 12-month basis. In recent years, he explained, ETC activities have concentrated on special projects.

ETC will continue to serve the industry as a catalyst in developmental projects by sponsoring a major trans-Atlantic travel congress "Retooling for a Market in Transition" in New York City in March. In the Fall ETC will sponsor a second Youth Travel Expo bringing together European providers of services and facilities in this specialized field of travel with American organizers of European travel programs. An ETC sponsored study of air fares by the Air Transport Institute of Paris recommended, among other things, the reinstitution of a trans-Atlantic youth fare. Dr. Patzak said air fares are such a key element in pricing a European vacation that ETC is now developing a policy position on this subject which will be recommended to the industry and to governments.

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ETC will also continue to promote European convention centers, and is working in cooperation with the American Society of Association Executives on plans for their 1975 exhibition and convention, which will be held in Europe for the first time next August.

In addition to their joint effort through ETC, the 23 member national tourist boards are actively engaged in the promotion of 1975 travel to their respective countries.

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